

KASPER and Medicaid Utilization Review

Zach Ramsey

Director, Division of Fraud, Waste & Abuse/Identification & Prevention

Dave Sallengs, R.Ph.

Branch Manager, Drug Enforcement and Professional Practices

Dave Hopkins

Project Manager, Hal Rogers Grant

Office of the Inspector General, Cabinet for Health and Family Services



Agenda

- **Prescription Monitoring Programs**
- **What is KASPER?**
- **Problems with Controlled Substances**
- **The KASPER Program**
- **KASPER use by the Kentucky Medicaid Program**
- **Program Plans**

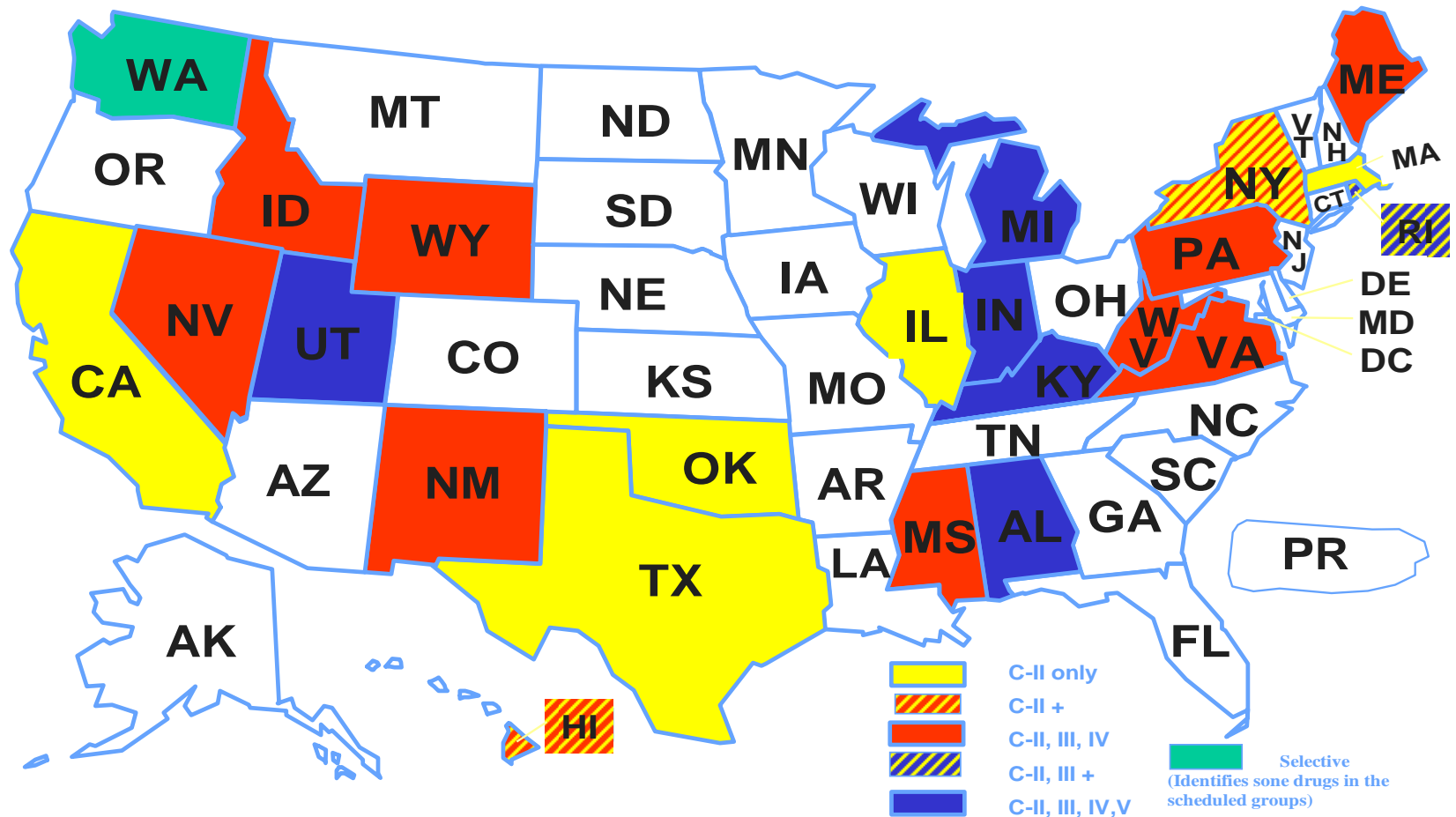
Prescription Monitoring Programs



Prescription Monitoring Programs

- Prescription Monitoring Programs (PMPs) help prevent the abuse and diversion of controlled pharmaceutical substances
- 23 states currently have Prescription Monitoring Programs (PMPs) for at least one class of controlled substance, and 5 more have passed legislation to implement a PMP.
- Additional states are seriously considering legislation to implement monitoring programs.
- States with reporting limited to Schedule II controlled substances watching the Kentucky program results with an eye to expansion.

States With Prescription Monitoring Programs



Support for PMPs

- Federal Hal Rogers Grants available to states for planning, implementing and enhancing their PMPs.
- National All Schedules Prescription Electronic Reporting (NASPER) legislation passed in 2005 to foster establishment of state PMPS and sharing of PMP data among states.
- Several states participate in IJIS Institute PMP Committee studying interstate sharing of PMP data.
 - Pilot project sharing data between CA and NV.
 - Considering regional pilots in Northeast and Midwest (IN, KY, MI, OH, WV).

What is KASPER?



KENTUCKY

ALL

SCHEDULE

PRESCRIPTION

ELECTRONIC

REPORTING



What is KASPER?

One of the largest threats to patient safety in the Commonwealth of Kentucky is the misuse, abuse and diversion of controlled pharmaceutical substances.

KASPER is Kentucky's Prescription Monitoring Program (PMP). KASPER catalogs most of the Schedule II – V controlled substance prescriptions written and dispensed within the state.

KASPER provides a tool for practitioners and pharmacists to improve patient safety and to fight abuse and diversion of legal drugs.

Controlled Substance Schedules

- Schedule I – Illegal Drugs
 - e.g. heroin, marijuana, etc.
- Schedule II – Most addictive legal drugs; high abuse potential
 - e.g. oxycodone (Oxycontin, Percocet, Tylox)
- Schedule III – Less abuse potential than I or II
 - e.g. hydrocodone combinations (Vicodin, Lortab).
- Schedule IV – Less abuse potential than III.
 - e.g. benzodiazepines (Xanax, Valium).
- Schedule V – least abuse potential
 - e.g. codeine containing cough mixtures.

The Need for KASPER

- Health care professionals need a tool to help identify patient prescription drug problems and when intervention may be needed.
- Diversion of controlled substances is reaching epidemic proportions.
 - Diverters cover large areas to obtain drugs.
 - Agencies need efficiency and value in their investigative tools.

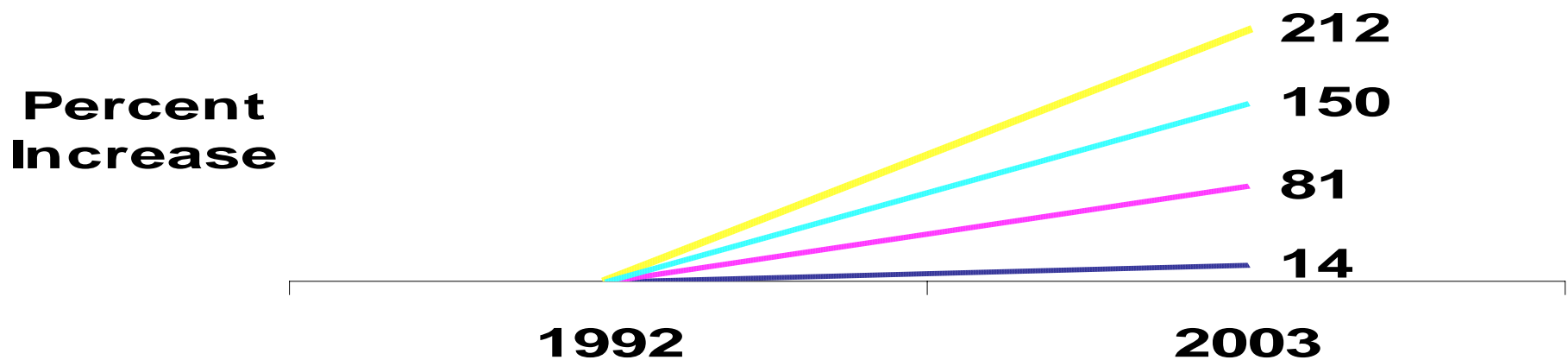
Problems with Controlled Substances



Misuse, Abuse, Diversion

- Misuse:
 - When a schedule II – V substance is taken by an individual for a non-medical reason.
- Abuse:
 - When an individual repeatedly takes a schedule II – V substance for a non-medical reason.
- Diversion:
 - When a schedule II – V substance is acquired and/or taken by an individual for whom the medication was not prescribed.

The Scope of the Problem



- **US Population**
- **Adults Abusing Controlled Substances**
- **Number of 12 to 17 Year Olds Abusing Controlled Substances**
- **Prescriptions Written For Controlled Substances**



Perspective

From 1992 to 2003 the 15.1 million Americans abusing controlled prescription drugs exceeded the combined number abusing:

- Cocaine (5.9 million),
- Hallucinogens (4.0 million),
- Inhalants (2.1 million), and
- Heroin (.3 million).

Source: *Under the Counter: The Diversion and Abuse of Controlled Prescription Drugs in the U.S.* Published by The National Center on Addiction and Substance Abuse at Columbia University (CASA), July 2005.

“Pharm Parties”

- Short for pharmaceutical party, a rapidly increasing problem with teens and young adults.
- Bowls and baggies of random prescription drugs called “trail mix”.
- Collecting pills from the family medicine cabinet called “pharming”.
- Internet sites used to share “recipes” for getting high with prescription drugs.
 - Web sites sometimes refer to pills by color rather than brand name, content or potency.

Reported by Donna Leinwand, USA Today, June 13, 2006

The Results of Rx Drug Abuse

- February 2006. Eddie Cappiello 22, died of drug overdose after a “pharm party” with the equivalent of 67 Xanax pills in his system, leaving behind a 6-week old daughter.
- June 2006. Justin Knox 22, bit down on Fentanyl patch and died before reaching the hospital.
- June 2006. Two Transportation Security Administration screeners pleaded guilty to stealing OxyContin pills from passengers.

The Economics of Drug Diversion

“Legal” Drugs Have Street Values

Generic Name	Brand Name	Brand Cost/ 100	Street Value Per 100
Acetaminophen w Codeine 30mg	Tylenol #3	\$56.49	\$800.00
Diazepam 10 mg	Valium 10 mg	\$298.04	\$1,000.00
Hydromorphone	Dilaudid 4 mg	\$88.94	\$10,000.00
Methylphenidate	Ritalin	\$88.24	\$1,500.00
Oxycodone	Oxycontin 80 mg	\$1,081.36	\$8,000.00

Goldman, MD, Brian, “Unmasking the Illicit Drug Seeker”

The KASPER Program



Responsibility for KASPER

- In 1999, the Cabinet for Health and Family Services established the KASPER program to fight the rising incidence of diversion of legal prescription drugs into the illegal market.
- KASPER is “housed” within the Cabinet:
 - Office of the Inspector General (OIG),
 - Division of Fraud, Waste & Abuse/Identification & Prevention.
- The Division has responsibility for:
 - Drug Enforcement and Professional Practices (enforcement of KY Controlled Substances Act),
 - Medicaid programs enforcement, and
 - The KASPER program.

The Cabinet

- In 1999 The Cabinet was given the challenge to establish a program to fight the rising incidence of the diversion of legal prescription drugs into the illegal market.
- In response Kentucky implemented:
 - Controlled substance security prescription blanks, and
 - The Kentucky All Schedule Prescription Electronic Reporting (KASPER) system (KRS 218A.202).

KASPER Data

A KASPER report shows all scheduled prescriptions an individual has had for a specified time period, as well as the practitioner who prescribed them and the dispenser who dispensed them.

- 👉 System includes C-II, III, IV, and V

- 👉 Updated twice a month

Goals of KASPER

KASPER was designed as a tool to help address the problem of prescription drug abuse and diversion by providing:

- **A source of information for practitioners and pharmacists**
- **An investigative tool for law enforcement**



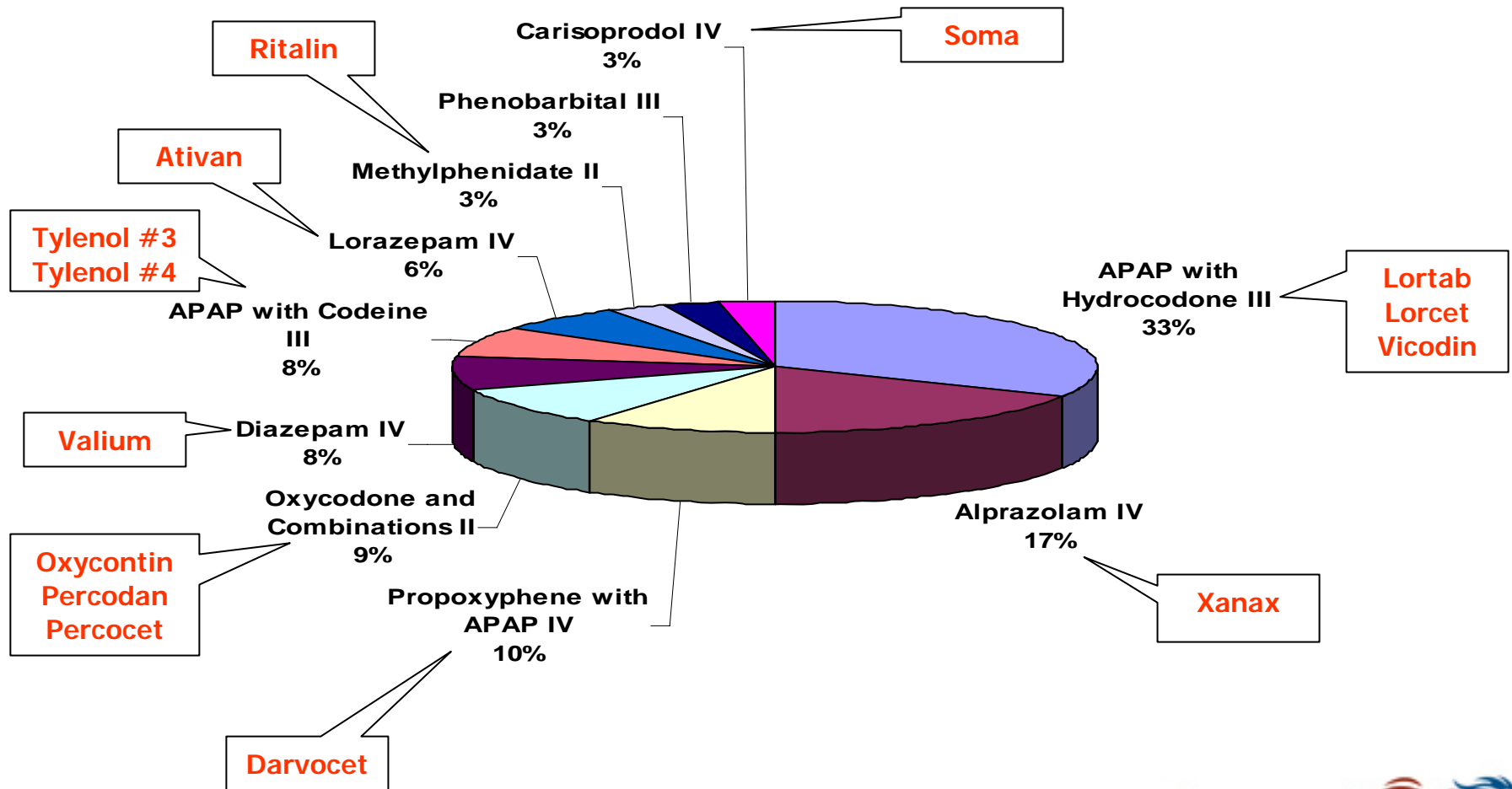
Goals of KASPER

KASPER is **NOT** designed to:

- Prevent people from getting prescription drugs
- To decrease the number of doses dispensed

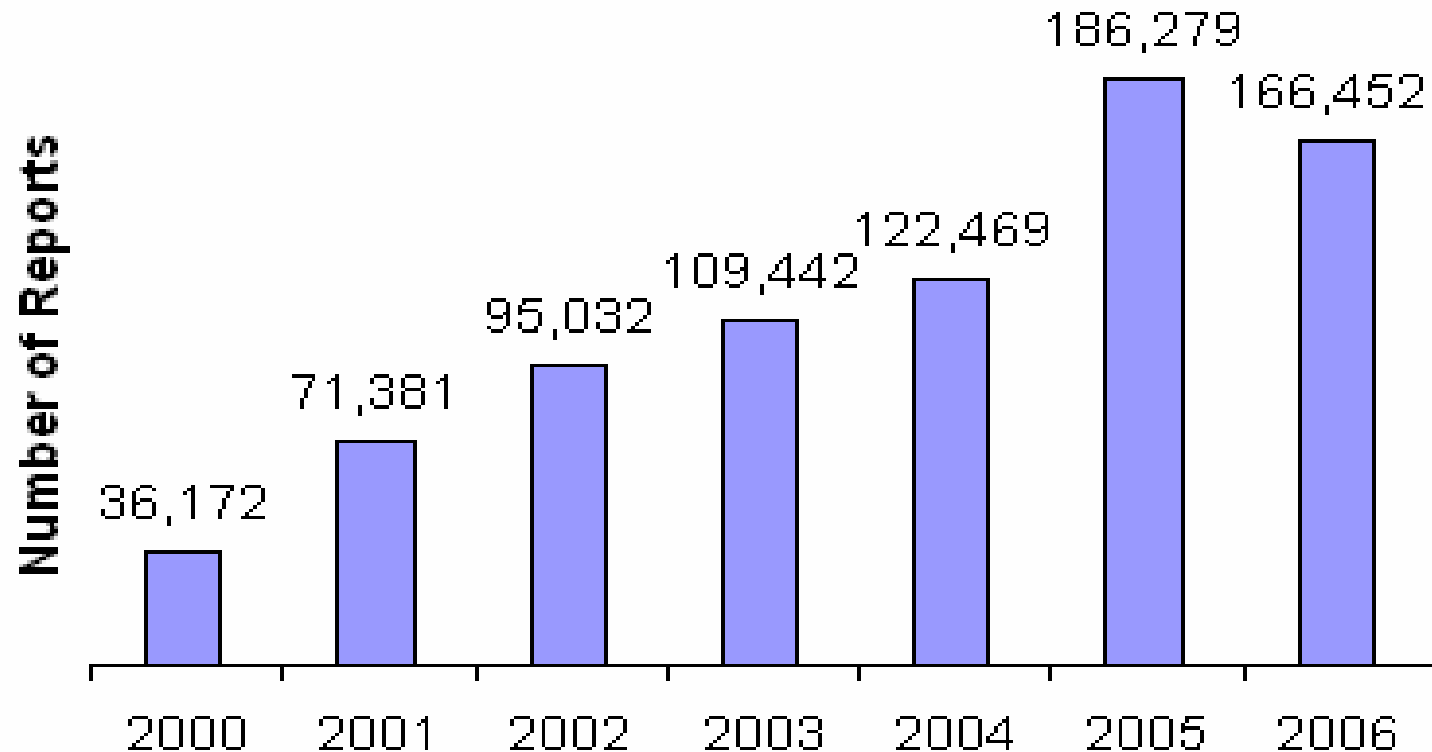


Top Prescribed Controlled Substances By Therapeutic Category By Doses 1/1/1999 Through 07/31/2004



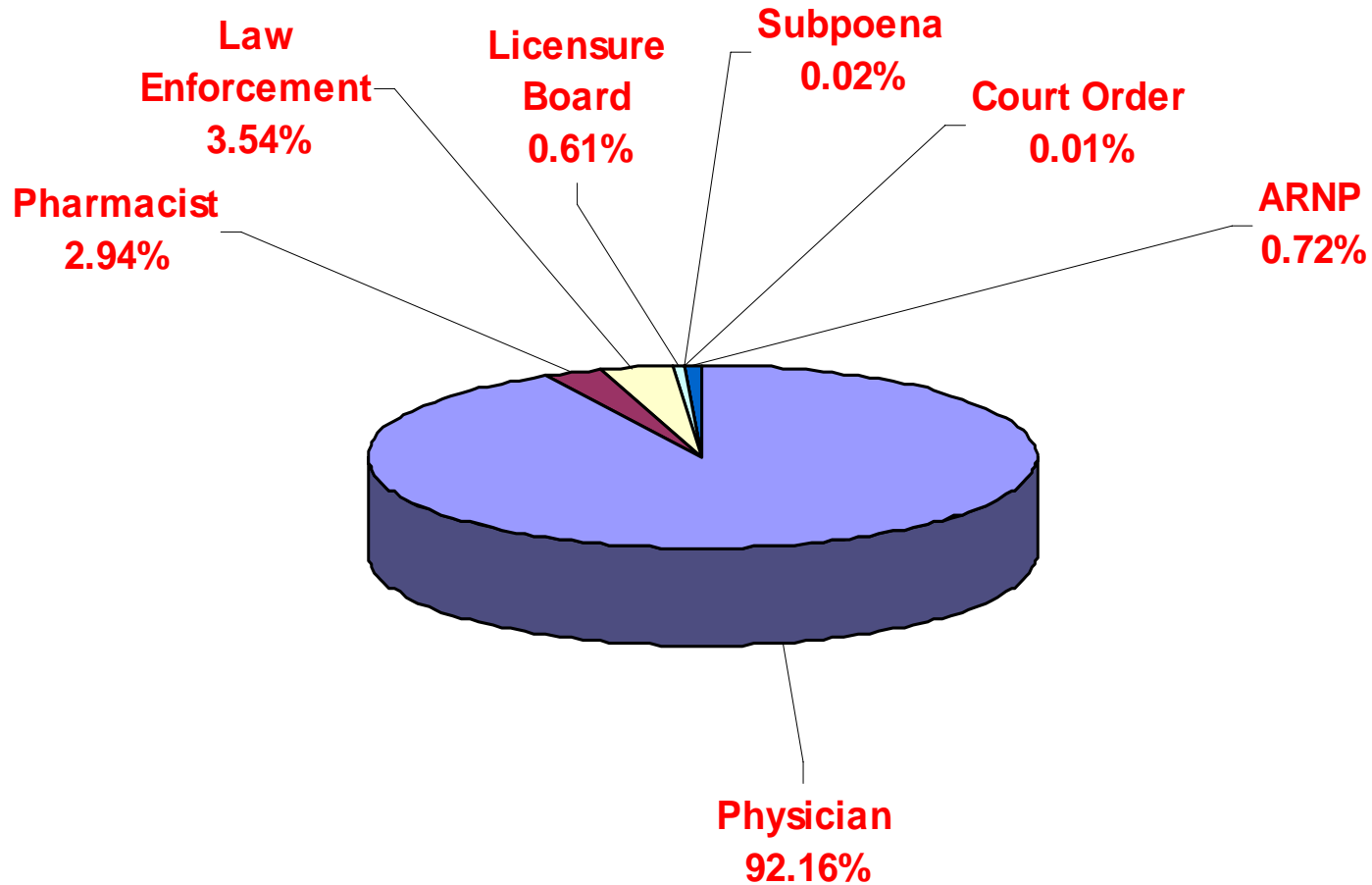
Growth in Report Requests

KASPER Reports Per Year



Who Uses KASPER?

KASPER Report Requests 2005



Who May Obtain KASPER Reports?

Under KRS 218A.202 (6):

- a) **Licensing Boards** - for licensees only
- b) **Law Enforcement Officers** - for a bona fide drug investigation – **certified by investigator and supervisor**
- c) **Medicaid** – for a recipient
- d) **Grand Juries** - by subpoena
- e) **Practitioners** - for medical treatment, and **Pharmacists** - for pharmaceutical treatment
- f) **KBML** based upon investigative relationships and geographic trend data
- g) **A judge or probation or parole officer** administering a drug diversion or probation program

KASPER Trend Reporting

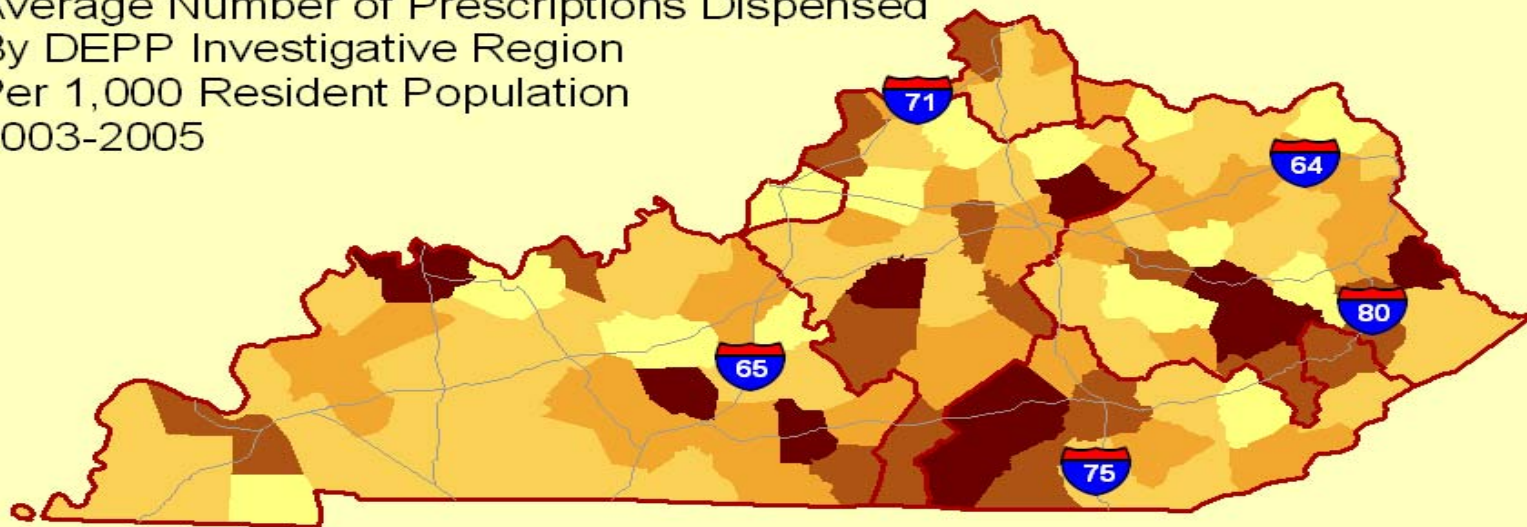
KRS 218A.202 (7) (b) and (c) requires the Cabinet to develop trend reporting criteria and publish trend reports quarterly.

- Criteria developed in collaboration with:
 - Licensure Boards.
 - Law enforcement focus group.
- Utilizing geographic information system (GIS) software to provide graphical representation of the data and to conduct “hot spot” analysis.

Controlled Substance Usage

Trends Reporting Using ArcGIS Calculating The Average Number of Resident Prescriptions Dispensed

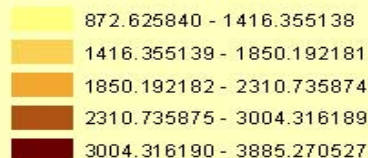
All Controlled Substances
Average Number of Prescriptions Dispensed
By DEPP Investigative Region
Per 1,000 Resident Population
2003-2005



All Controlled Substances
By DEPP Investigative Region

— Kentucky Major Roads

Average No. Prescriptions 2003-2005



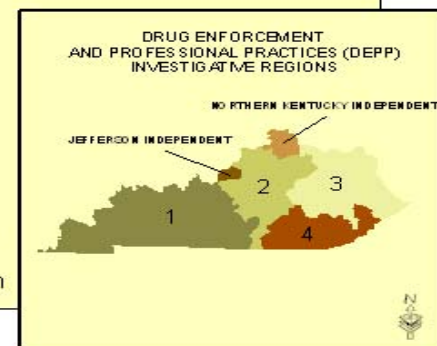
Lowest =

Highest =

0 12.5 25 50 75 100 Miles

Commonwealth of Kentucky
Office of the Inspector General
Hal Rogers
Prescription Monitoring Program

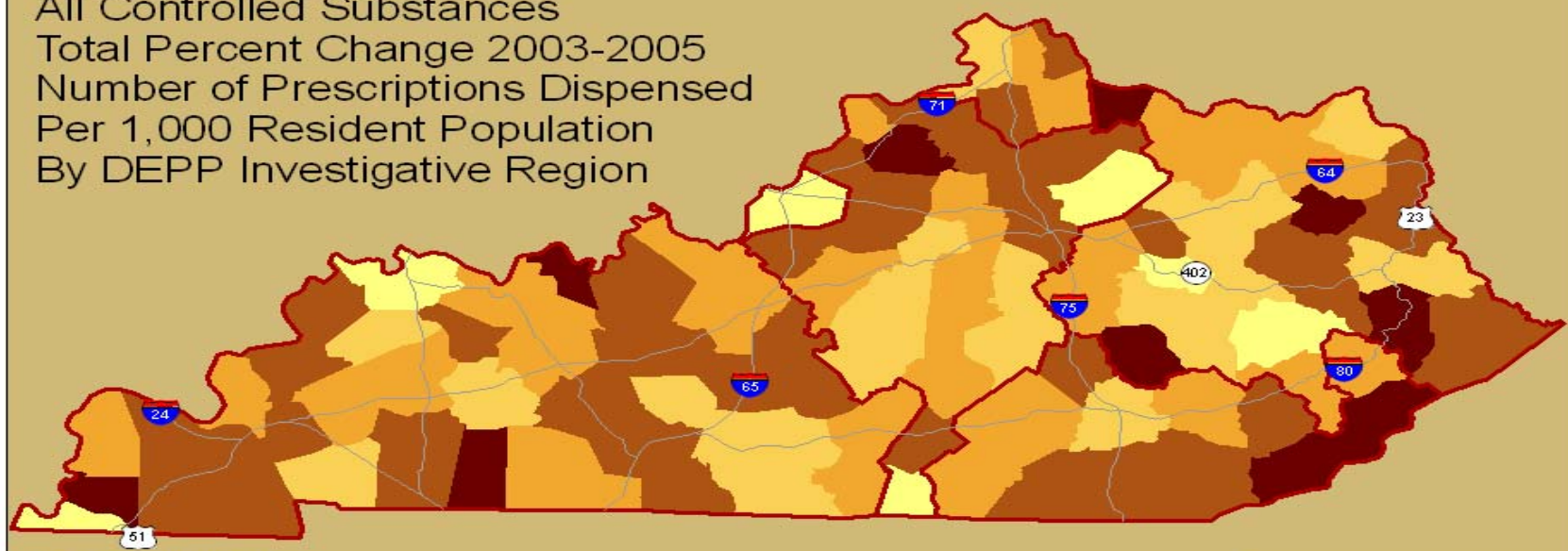
Map project created by Neal L. Rosenblatt, CHFS OIT HSAD, April 3, 2006



Controlled Substance Usage Change

Trends Reporting Using ArcGIS Calculating Total Percent Change of Resident Prescriptions Dispensed

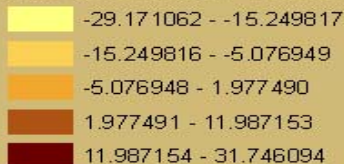
All Controlled Substances
Total Percent Change 2003-2005
Number of Prescriptions Dispensed
Per 1,000 Resident Population
By DEPP Investigative Region



All Controlled Substances
By DEPP Investigative Region

— Kentucky Major Roads

Total Percent Change (+/-) 2003-2005

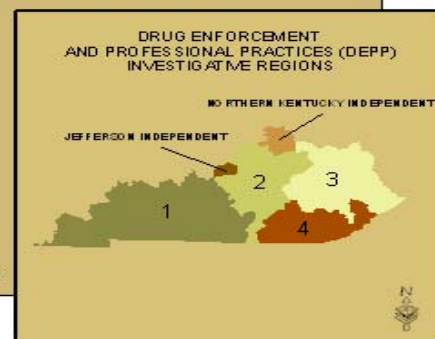


Highest Negative (Reduction) % Change =
Highest Positive (Increase) % Change =

0 12.5 25 50 75 100 Miles

Commonwealth of Kentucky
Office of the Inspector General
Hal Rogers
Prescription Monitoring Program

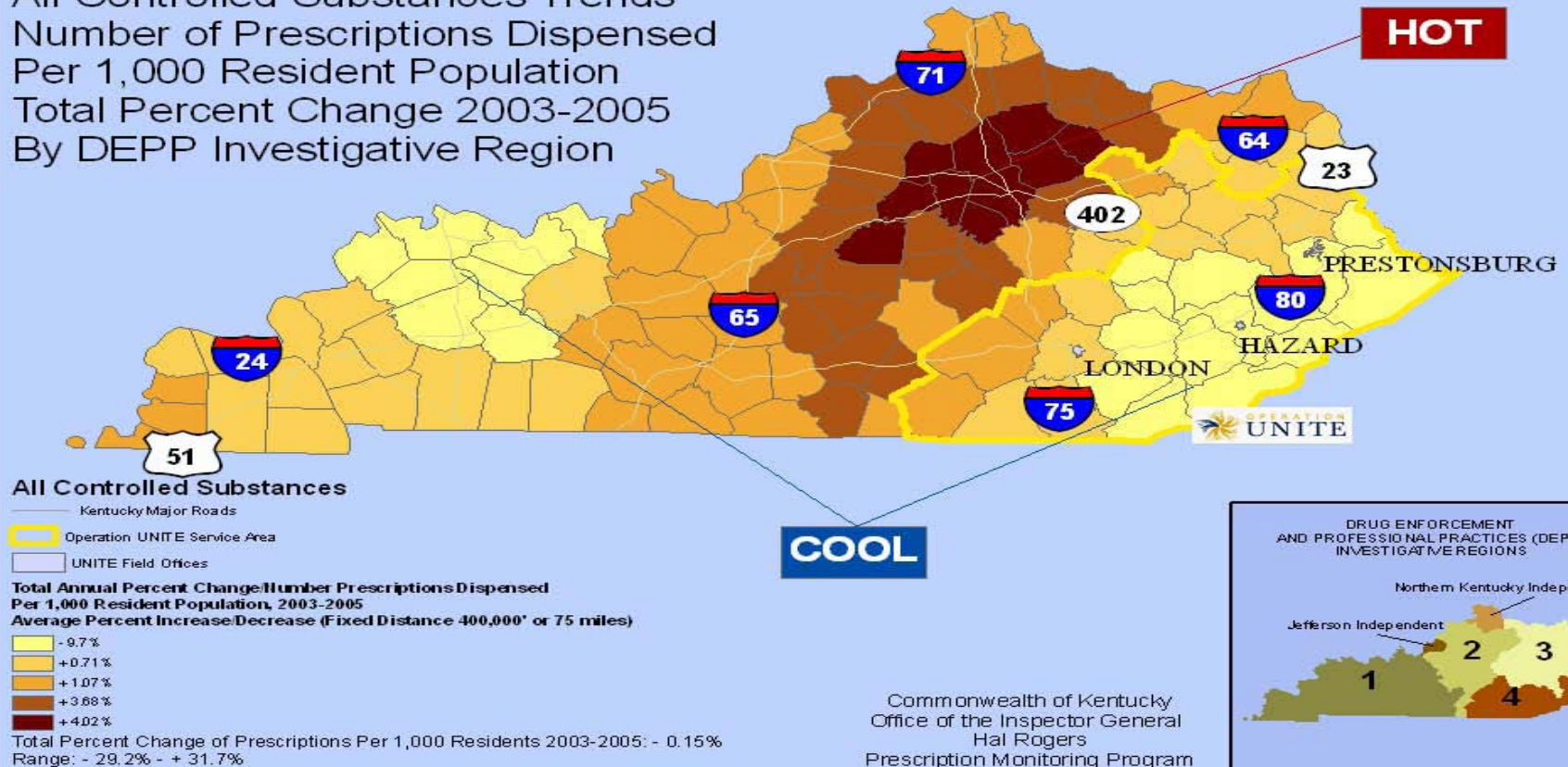
Map project created by Neal L. Rosenblatt, CHFS OIT HSAD, April 3, 2006



Controlled Substance “Hot Spots”

Trends Reporting Using ArcGIS Spatial Autocorrelation and Hot Spot Analysis Spatial Statistics Tools

All Controlled Substances Trends
Number of Prescriptions Dispensed
Per 1,000 Resident Population
Total Percent Change 2003-2005
By DEPP Investigative Region



Map project created by Neal L. Rosenblatt, CHFS OIT HSAD, April 25, 2006. Updated June 20, 2006.

KASPER use by the Kentucky Medicaid Program



KASPER Statute 218A.202

Provides for Medicaid program use of KASPER data.

- KRS 218A.202 (6) (c): The Cabinet shall be authorized to provide data to a state-operated Medicaid program.

KASPER Statute 218A.202

Specifies the purpose for Medicaid program use of KASPER data.

- KRS 218A.202 (7): The Department for Medicaid Services may use any data or reports from the system for the purpose of identifying Medicaid recipients whose usage of controlled substances may be appropriately managed by a single outpatient pharmacy or primary care physician.

KASPER Statute 218A.202

Defines how the Medicaid program may use KASPER data.

- KRS 218A.202 (8) (c): The Department for Medicaid Services may submit the data as evidence in an administrative hearing held in accordance with KRS Chapter 13B.
- KRS 218A.202 (10): The data and any report obtained therefrom shall not be a public record, except that the Department for Medicaid Services may submit the data as evidence in an administrative hearing in accordance with KRS Chapter 13B.

Current Recipient Review Process

- Authorized users within the Medicaid Programs Enforcement Branch:
 - Obtain quarterly SURS report identifying top 200 potential pharmacy benefit abusers.
 - Review reports to identify recipients warranting further review.
 - Identify recipients to be reviewed based upon referrals from other sources.
 - Manually request KASPER reports for those recipients.
 - Consult with Special Investigations and/or Drug Enforcement and Professional Practices to determine if potential abuse or diversion problem exists, and whether administrative and/or law enforcement actions are warranted.

Program Plans



Medicaid/KASPER Integration

- A project is underway to develop an automated interface between the Medicaid and KASPER systems. The objectives are:
 - Provide the Division of Fraud, Waste & Abuse/Identification & Prevention a tool that will provide a single source of prescription data for recipient and provider reviews.
 - Utilize this tool to more quickly identify inappropriate use of Medicaid funds.
 - Utilize this tool to reduce the time and cost of Medicaid fraud investigations.
 - Reduce the amount of Medicaid funding lost due to fraud.

Medicaid/KASPER Recipient Review

- Automate and enhance the recipient review process.
 - Recipients selected from the quarterly SURS report containing the top 200 potential abusers, and other referral sources will automatically be matched with Medicaid and KASPER patient records to produce one comprehensive report.
 - A weekly report will be created to highlight potential abusers of investigative interest.
 - Medicaid Programs Enforcement will have the ability to request ad hoc reports for potential abusers under investigation.

Medicaid/KASPER Provider Review

- Develop an automated provider review process.
 - Provider Review, Compliance & Recovery can request an ad hoc provider report that will merge Medicaid and KASPER prescription data to provide a single comprehensive report covering the provider's Medicaid patients.

QUESTIONS?

Visit the KASPER Web Site: www.chfs.ky.gov/kasper

